### UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109<sup>th</sup> Congress <sup>1</sup>

[Date approved: November 29, 2005]<sup>2</sup>

Bill No. and sponsor: H.R. 2765 (Mr. Wm. Lacy Clay of Missouri).
Proponent name, location: Sensient Technologies, St. Louis, MO.
Other bills on product (109th Congress only): None.
Nature of bill: Extension of temporary duty suspension through December 31, 2009.
Retroactive effect: None.
Suggested article description(s) for enactment (including appropriate HTS subheading(s)):
p-Cresidinesulfonic acid (4-amino-5-methoxy-2-methylbenzenesulfonic acid) (CAS No. 6471-78-9) (provided for in subheading 2922.29.80).
Check one: X No change to HTS heading 9902.01.65 is suggested.  Different from that in bill as introduced (see Technical comments section).
Product information, including uses/applications and source(s) of imports:

p-Cresidinesulfonic acid is a synthetic organic chemical used as an intermediate to make specialty dyes

that are primarily used in food products. The product is imported from China, India, and Japan.

Industry analyst preparing report: Philip Stone (202-205-3424); Tariff Affairs contact: David Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm">http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm</a>.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>2922.29.80</u>										
$\searrow$	2005	2006	2007	2008	2009					
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%					
Estimated value <i>dutiable</i> imports	\$2,200,000	\$2,300,000	\$2,500,000	\$2,600,000	\$2,800,000					
Customs revenue loss <u>1</u> /	\$143,000	\$149,500	\$162,500	\$169,000	\$182,000					

<sup>1/</sup> The estimated Customs revenue loss for 2005 and 2006 result from a duty suspension under HTS heading 9902.01.65 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

#### Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?		
			(Yes/No)			
Sensient Technologies (Proponent) Jim DeLisi, 908-332-8440	09/14/2005	No	No	No		
BASF Functional Polymers Bus. Group Joseph C. Breunig, Fax: 704-587-7903	09/20/2005	No	No	No		
Bayer Corporation Karen Niedermeyer, Fax: 412-777-4740	09/20/2005	No	No	No		
ColorChem Steve Printz, Fax: 770-993-4780	09/20/2005	No	No	No		
Color Resources International Inc. Wayne Jones, Fax: 864-862-6824	09/20/2005	No	No	No		
CPMA Larry Robinson, Fax: 703-684-1795	09/20/2005	No	No	No		
Day-Glo Richard Thornton, Fax: 216-391-1408	09/20/2005	No	No	No		
DyStar L.P. Van Hawkins, Fax: 704-561-3005	09/20/2005	No	No	No		

ETAD North America Tucker Helms, Fax: 202-296-8120	09/20/2005	No	No	No
Everlight USA, Inc. Scott Chen, Fax: 704-588-0051	09/20/2005	No	No	No
LANXESS Corporation Jamie B. Schaeffer, Fax: 412-809-3614	09/27/2005	No	No	No
Milliken Ray Sanders, Fax: 864-503-1618	09/20/2005	No	No	No
Nation Ford Chemical Co. John Dickson, Fax: 803-548-2683	09/20/2005	No	No	No
Noveon Tom Dirmyer, Fax: 216-447-5720	09/20/2005	No	No	No
Passaic Color John Wojciechowski, Fax: 973-279-3175	09/20/2005	No	No	No
Rohm & Haas Steven Volger, Fax: 215-592-2550	09/20/2005	No	No	No
United Color Tom Nowakowski, Fax: 215-860-8560	09/20/2005	No	No	No

**Technical comments:**<sup>3</sup> None.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

## 109TH CONGRESS H.R. 2765

To extend the temporary suspension of duty on p-cresidine sulfonic acid.

#### IN THE HOUSE OF REPRESENTATIVES

June 7, 2005

Mr. Clay introduced the following bill; which was referred to the Committee on Ways and Means

### A BILL

To extend the temporary suspension of duty on p-cresidine sulfonic acid.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. P-CRESIDINE SULFONIC ACID.
- 4 (a) In General.—Heading 9902.01.65 of the Har-
- 5 monized Tariff Schedule of the United States (relating to
- 6 p-cresidine sulfonic acid) is amended by striking "12/31/
- 7 2006" and inserting "12/31/2009".
- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of enactment of this Act.

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